



**CALIFORNIA
HIGH-SPEED RAIL
AUTHORITY**

BOARD MEETING MINUTES

(Draft)

December 20, 2010

**City Hall Council Chambers
Sacramento, CA**

The second public meeting of December, 2010 of the California High-Speed Rail Authority was called to order on December 20, 2010 at 10:03 am.

Members Present: Thomas Umberg, Vice-Chairman
Quentin Kopp
Fran Florez
Rod Diridon, Sr.
Lynn Schenk *via phone from San Diego Assoc. of Governments Board Room*
David Crane

Absent Members: Chairman Pringle
Russell Burns (Due to illness)

Pledge of Allegiance

Administered by Member Diridon

Vice Chair Umberg announced that this meeting was going to be changed in presentation of order; the meeting will begin with the presentation on the Corridor Selection Modification followed by public comment.

Agenda Item # 1 – Corridor Selection Modification

CEO van Ark gave a presentation stating the states of Wisconsin and Ohio decided not to proceed with their HSIPR projects making approximately \$1.915 Billion of ARRA funds available, which was previously allocated to them. On Thursday, December 9, 2010 the Federal Railroad Administration informed the Authority that they were allocated \$616M of these returned funds of which some funds will go toward station design, station area planning and ROW preservation applied to various Phase 1 sections.

Some clarity has been achieved as far as station design and station area planning is concerned: The Authority had been informed that a value of \$500,000 each for Merced and Bakersfield is included for station design, which needs to be matched with 50% local funding. Additional FRA funding of \$4.5M will be made available for station area planning, again to be matched with 50% local funding, for Phase 1 stations, which will include planning at Fresno, Visalia/Kings, Bakersfield, Merced, Palmdale, Gilroy and San Jose among others. It is envisaged that station area plans are prepared in partnership with local government, as needed.

Various details are still being worked on with the FRA, and as part of the recommendation made to the Board, Mr. van Ark requested the Board allow him the flexibility to conclude the

Funding/Cooperative Agreements with FRA on behalf of the Authority, incorporating any such additional details.

Mr. van Ark stated that he wanted to make one clarification, which was necessary after a discussion he had with Congressman Cardoza, namely; it is not correct that Merced, and the track leading to Merced, are now part of Phase 2 of our project. If this was the interpretation from our previous presentations, it was incorrect, as Merced remains part of Phase 1 of the HSR project.

Mr. van Ark also reminded everyone that throughout the process it should be remembered that the California High-Speed Rail System will be the backbone passenger rail system of the State, and needs to connect southern and northern California, including the metropolitan areas of Los Angeles/Anaheim, San Diego, San Francisco, San Jose and Sacramento. This first step in the process, to select and then build the first segment of the line, is only the beginning of a continuous process, which should logically lead to the continued construction of the alignment, until the whole network is interconnected.

Member Diridon asked to confirm that the extension will go towards Bakersfield not into Bakersfield due to funding at this time. CEO van Ark also confirmed for the record that this decision will have no effect on the Heavy Maintenance Facility selection process. That will still take many months, maybe some years for that decision to be made and that decision will not be effected by the outcome of today's board meeting.

Member Reports

Member Diridon reported that he had just returned from a 9 day trip to China which was paid for by the Research Department of the US transportation and the China academy of transportation sciences. It was an academically based trip, he spoke on academic issues and he rode the high speed train in which he was very impressed with.

Vice Chair Umberg had two comments; First one with respect to the mischaracterization of what was done with respect to selecting the first section for construction. Some reports, no matter how well communicated is going to be miscommunicated for a variety of reasons, but one thing the Board could benefit from is a "lessons learned" from the last 30 days or so on how one could do a better job communicating to the stakeholders, what was intended and what the effects will be, so that the people of CA understand what the project is about and that we are building a system from Northern California to Southern California, not building a section from 2 locations within the Central Valley. Secondly, there is some confusion with what the powers are of the High Speed Rail Authority with respect to acquisition of Real Estate.

Member Kopp stated that he had a discussion with Mr. van Ark in regards to questions of the number of takings in the already approved and recommended plus the extension of applications of \$616 Million dollars, that it is not currently available but will be available by our next meeting and would like that information included in that meeting.

Public Comment

An opportunity for public comment was provided in regards to the Corridor Selection Modification. Positive support was voiced, while concern was conveyed by some.

Staff Recommendation of Agenda Item 1 – Corridor Selection Modification:

That the Board delegate to the Chief Executive Officer the authority to conclude the Funding/Cooperative Agreements with FRA on behalf of the Authority by the end of December 2010 incorporating the major portion of the additional amount of \$616M for the continuation of the “Initial Construction” to the south to Bakersfield/Kings County.

Member Diridon moves. Member Kopp Seconds with the request of sending all board members copies of the agreement once it is signed.

Member Diridon requests that since the CEO’s presentation provided a lot of elaboration that was very strategically important, that particular portions be included in the minutes verbatim in order to refer back if needed, specifically the portion related to the use of 5.5 million dollars stationary planning and the reference of all the maintenance bases that continue to be under consideration.

Roll was called.

Vote: Passed Unanimously - 6-0

CEO Report

Mr. van Ark announces that a five person expert panel has been formed to act as a Peer Review Group for the ridership work and will be Chaired by Professor Frank Koppelman. This group will also include Professor Ken Small who has been allocated from the ITS Group.

Mr. van Ark updated the Board on meetings that have taken place between himself and Governor’s Legislative Staff, Elected Officials, Mayors, CEO’s of transportation agencies, area suppliers and Ag communities. Mr. van Ark thanked Assembly Member Galgiani for taking a leading role in ensuring that the Authority gets an open forum to discuss issues with the Ag community.

Mr. van Ark announced Mr. Darrell Cole; as the new program manager for Ogilvy commencing on January 3, 2011, Mr. Cole will be working full time on the implementation of the Authority’s Communications & Outreach strategy and plan.

Mr. van Ark also met with the FRA delegation in the Authority’s office. The FRA did a review of the program to make sure that we were on track to meet the obligations of the ARRA program.

Mr. van Ark discussed the issues with the FPPC re: Board Members and senior staff past travel reporting, the Authority is working with the FPPC to resolve these issues and have obtained the services of outside legal counsel.

Meeting Adjourned at 11:00 am